

# **M. J. MAILLIS GROUP**

**ΠΑΡΟΥΣΙΑΣΗ ΣΤΗΝ  
ΕΝΩΣΗ ΘΕΣΜΙΚΩΝ  
ΕΠΕΝΔΥΤΩΝ**

*global partner for end of line systems*

**May 2008**



# M. J. Maillis S.A

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# 1. M.J.Maillis Group

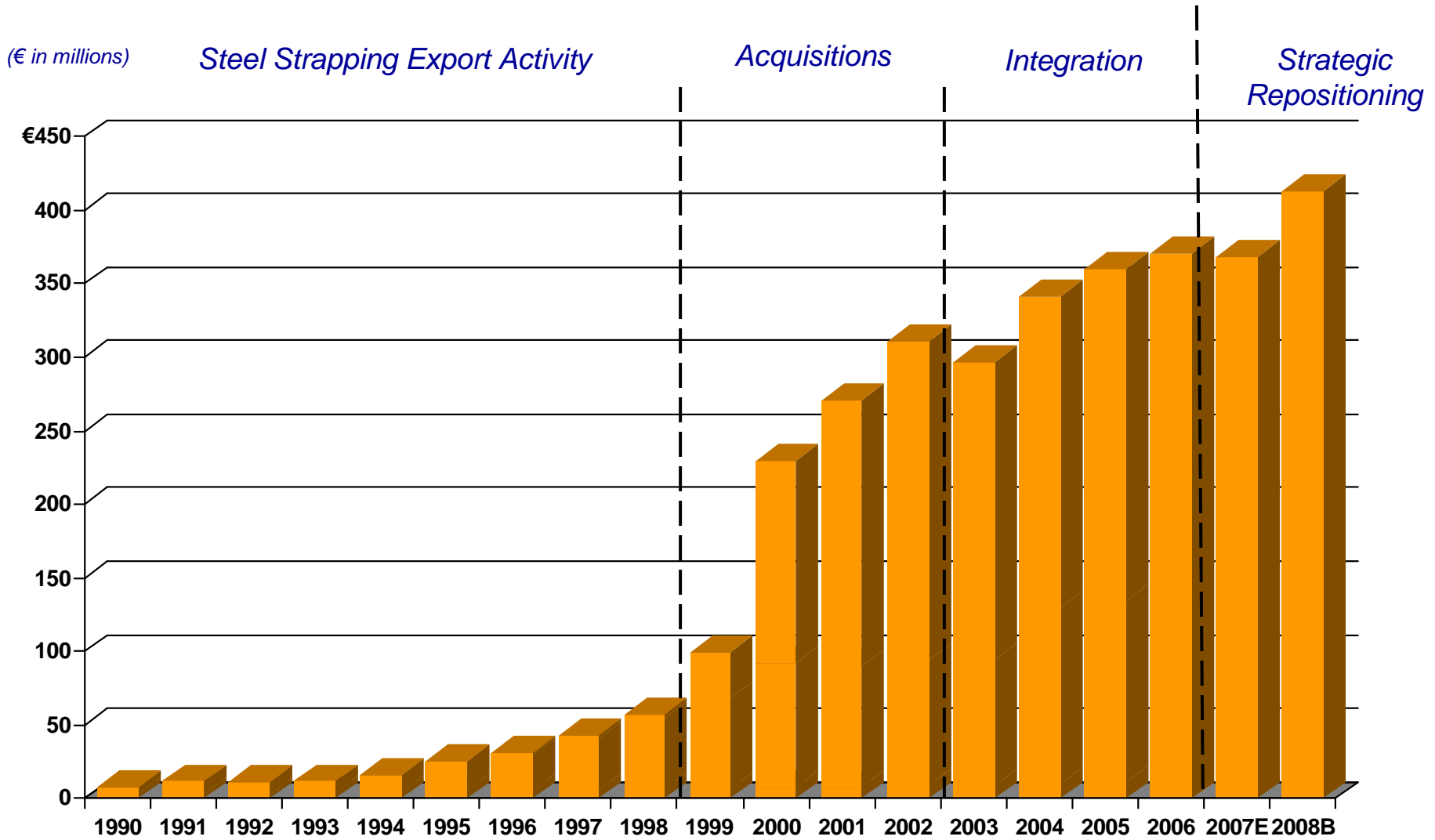
## History and Overview

## History

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- M.J.Maillis was established in 1978 as a small manufacturing Greek company, producing steel strap. The company grew through the '80s and '90s by investing in capacity expansion and exporting steel strapping. M.J.Maillis became a major player in the European steel strapping business with the largest manufacturing facility in Europe.
- Listed in the Athens Stock Exchange in 1994 the company was able to raise capital and finance between 1999 and 2001. A series of aggressive and ambitious acquisitions. These acquisitions allowed Maillis to complete its product portfolio and provide the secondary packaging market with the Total End of Line Solution (machines – consumables – services) to all industries.
- Since 2002, over 30 acquisitions were put together creating an homogeneous Group with a clear and unique Brand. At the same time, the Group invested in completing and upgrading its Product Portfolio so that it can deliver cutting edge technology to the market.

# The Growth Path



# Company Overview

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- The M.J. Maillis Group is a leading multinational group of companies, with annual sales of approximately €400 million, offering a **unique value proposition** to the manufacturing industry

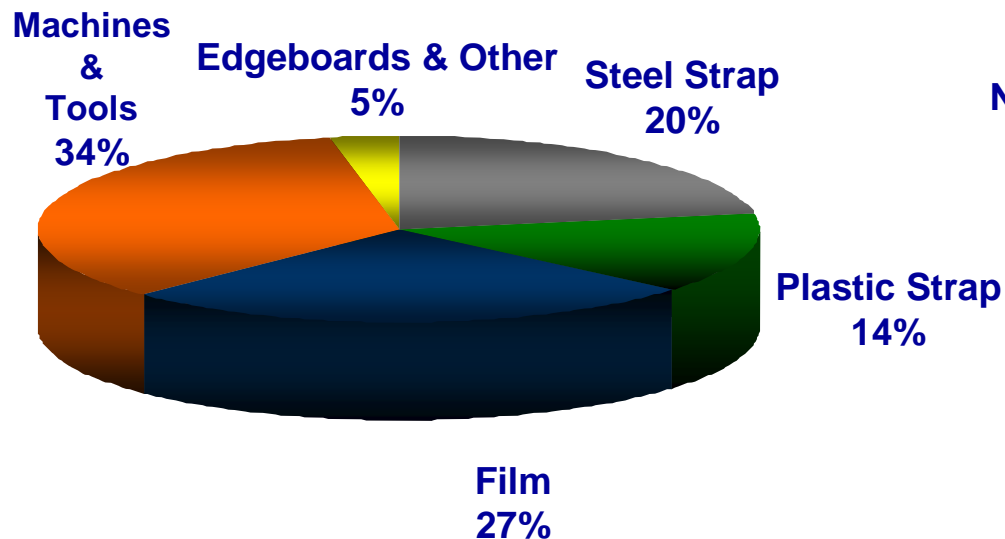
**The complete end-of-line solution  
in industrial packaging**

- Superior technology that is beating competition and gaining increasing recognition in Europe and the US
- 15 production facilities (11 in Europe, 3 in N. America and 1 in India)
- Pan-European sales organization with commercial subsidiaries in 13 countries

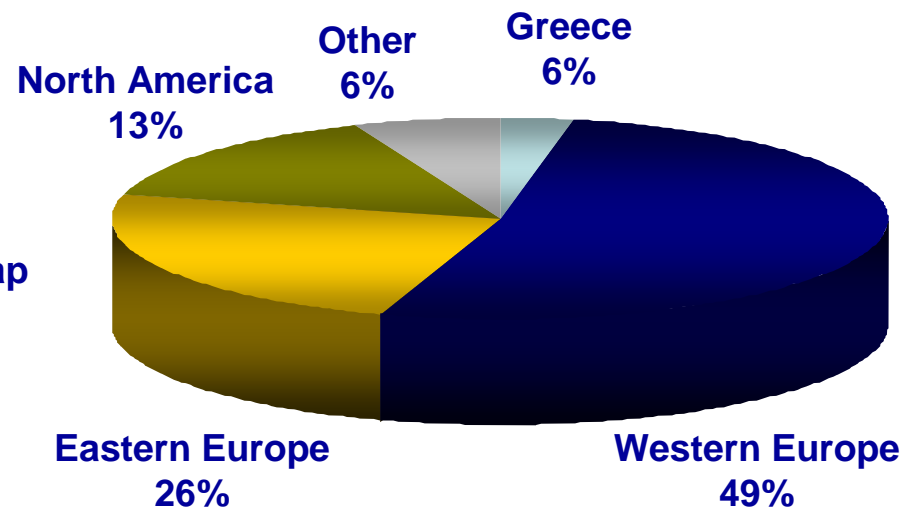
## Corporate Profile

- M.J. Maillis Group generates sales in 52 countries worldwide with a balanced product portfolio consisting of machines, tools and consumable materials, fully covering the needs of the secondary packaging industry:

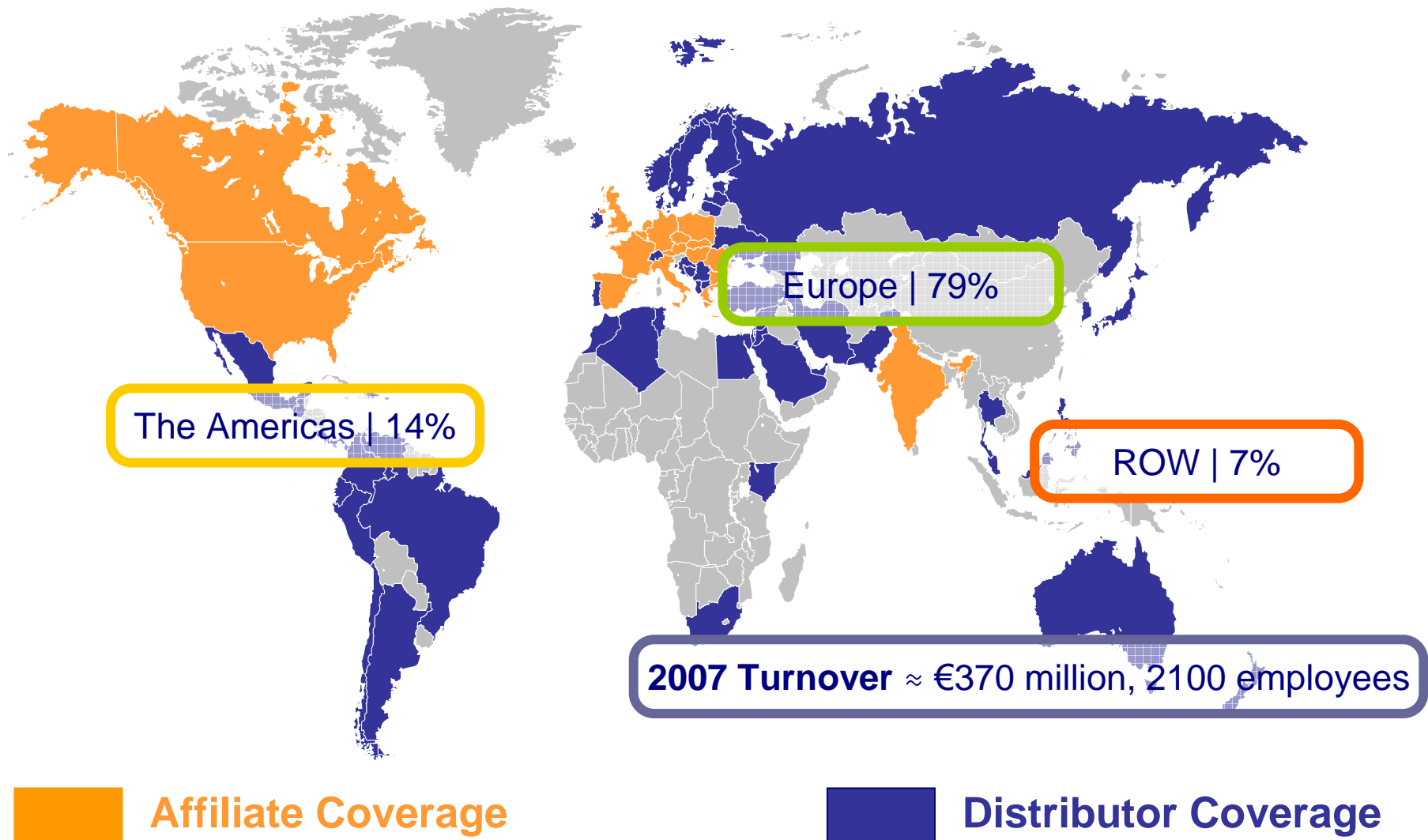
### Product Portfolio 2007



### Geographical Breakdown 2007

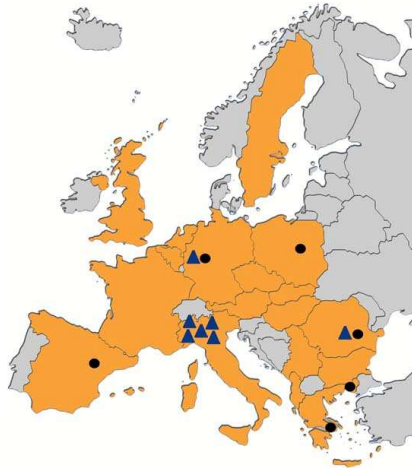


## Local and Global Partner



# Corporate Profile - Manufacturing Facilities

- 11 Packaging Equipment Manufacturing Plants
- 8 Packaging Material Manufacturing Plants

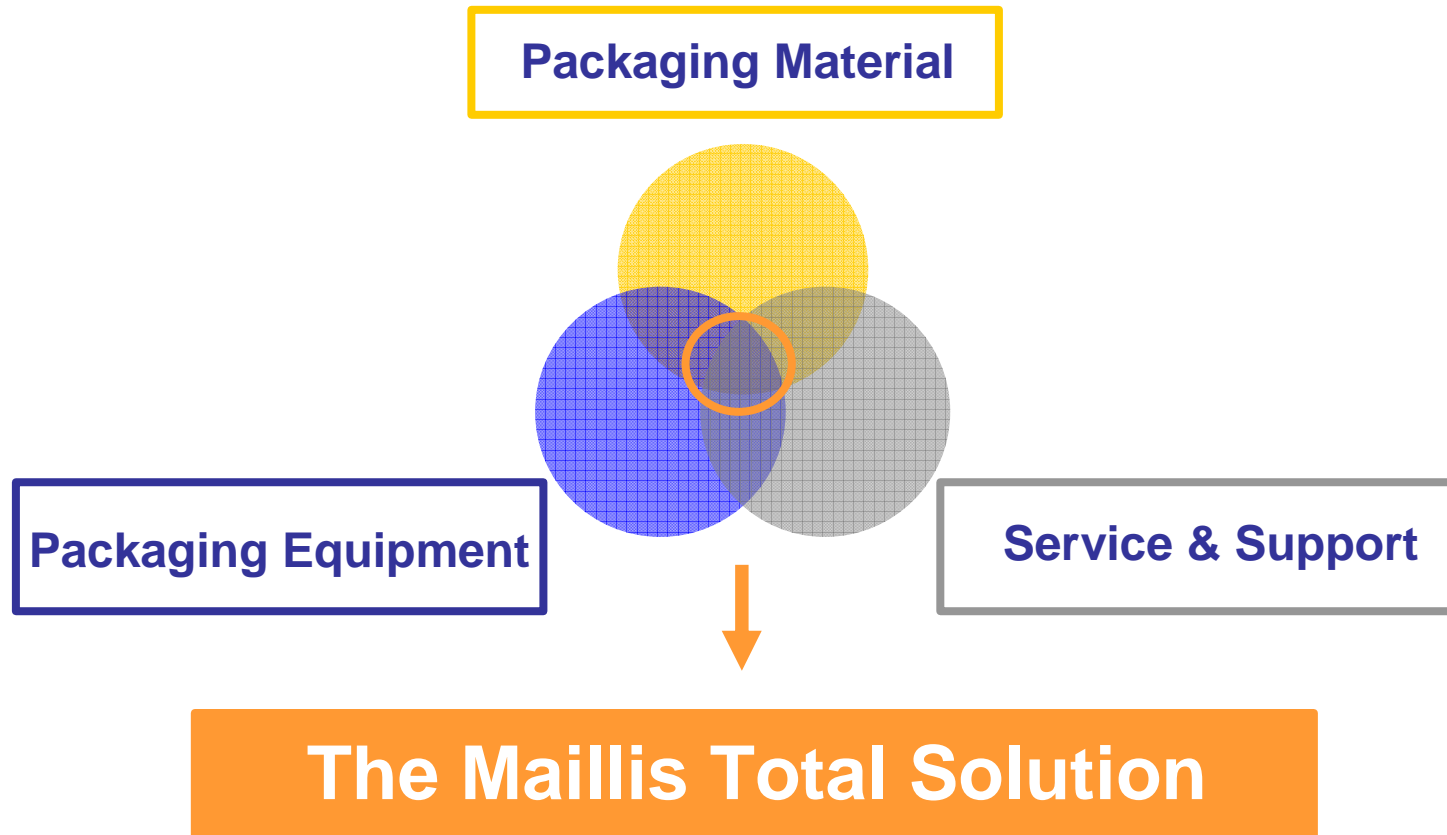


▲ Machines Manufacturing  
● Consumables Manufacturing

## 2. Business Model Product Portfolio and Technology

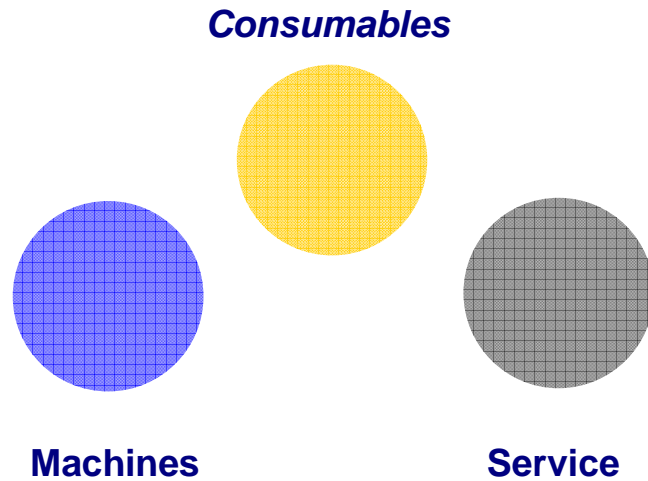
## The Business Model

***“A unique concept-proposition for the Industrial Packaging Market”***

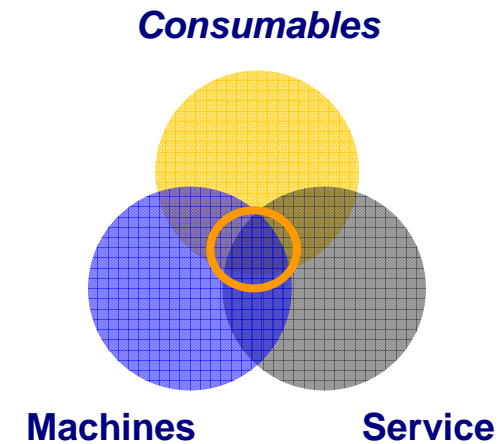


# The Business Model

## Product Supply



## Total Solution Supply



### Product Strategy

- Minimal Supplier Involvement
- 'Just meet my basic needs'
- Overall Higher Cost
- Customer **Maximises** Risk

### System Strategy

- Real Business Partnership
- Problem Solving Consultancy
- Overall Lower Cost
- Customer **Minimises** Risk

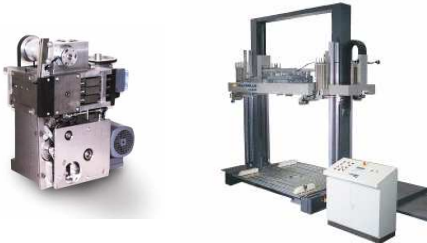


# Core Product Range overview - Strapping

## Products

## Systems

### Machines



### Tools



### Material



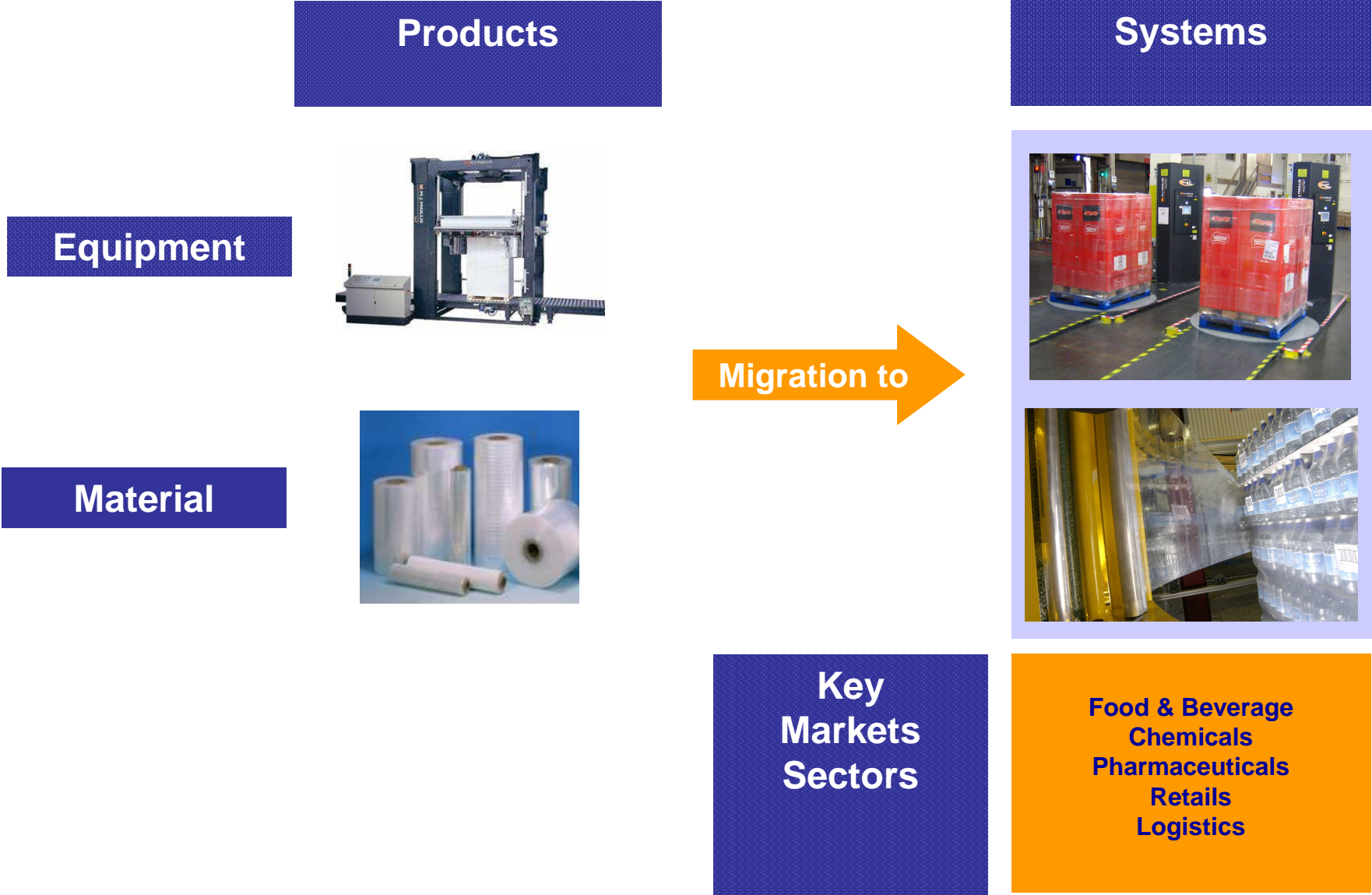
## Key Markets Sectors

- Steel
- Aluminium
- Construction
- Paper & Corrugated
- Timber
- Can & Bottles
- Printing & Graphics





# Core Product Range overview - Wrapping



## 3. Competitive Landscape

# Competitors by Product

Product / Company	M.J. Maillis	Competitor 1	Competitor 2	Competitor 3	Competitor 4	Competitor 5	Competitor 6	Competitor 7	Competitor 8	Competitor 9	Competitor 10	Competitor 11	Competitor 12	Competitor 13	Competitor 14
Hand Tools	Orange	Grey	Grey	Grey	White	Grey	Grey	Grey	White	White	Grey	White	White	White	White
Steel Strapping Machines	Orange	Grey	Grey	White	White	White	White	White	White	White	Grey	White	White	White	White
Plastic Strapping Machines	Orange	Grey	Grey	Grey	White	Grey	Grey	Grey	Grey	Grey	White	White	White	White	White
Stretch Wrapping Machines	Orange	White	Grey	Grey	Grey	Grey	Grey	Grey	White	White	White	White	White	Grey	White
Steel Strapping	Orange	Grey	Grey	Grey	White	Grey	White	White	White	White	Grey	White	White	White	White
PET Strapping	Orange	Grey	Grey	Grey	White	Grey	Grey	Grey	White	Grey	White	Grey	Grey	White	White
PP Strapping	Orange	Grey	Grey	Grey	White	Grey	Grey	White	Grey	Grey	White	Grey	Grey	White	White
Stretch Film	Orange	White	White	White	Grey	White	White	White	White	White	White	White	White	White	Grey
Shrink Film	Orange	White	White	White	White	White	White	White	White	White	White	White	White	White	White
Taping Systems	Orange	Grey	White	White	White	White	White	White	White	White	White	White	White	Grey	Grey
Special Bands	Orange	White	White	White	White	White	White	White	White	White	White	White	White	White	White
Edgeboards	Orange	Grey	White	White	White	White	White	White	White	White	White	White	White	White	White



# Industry Overview

- Maillis operates in the industrial packaging market, providing products used to secure and protect goods during transportation or storage
- Maillis is the second largest participant in the European Market

## Estimated Market Shares by Segment and Region

	Consumables				Machines / Tools		
	Steel strap	PP strap	PET strap	Stretch wrap	Wrapping Machines	Carton sealers	Strapping
Europe	22% (2)	11% (2)	12% (2)	8% (4)	20% (1)	36% (1)	11% (4)
US	6% (4)*	0% (-)	3% (4)	0% (-)	10% (2)	25% (1)	4% (4)

*Rank in red*

*\* 2006 data*

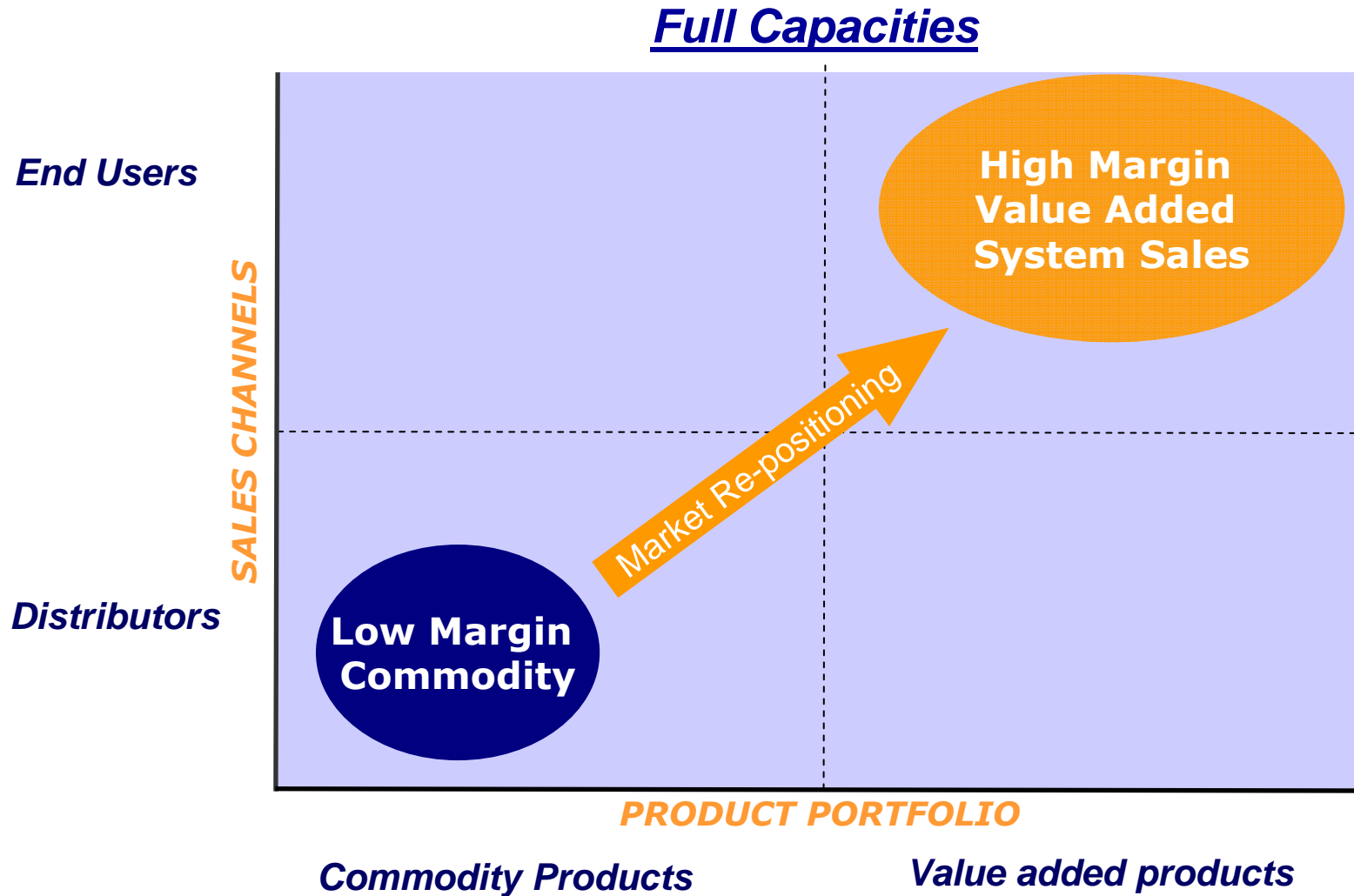
# Market Positions

	Steel Strap	Plastic Strap	Stretch Wrapping	Carton Sealing
W. Europe	Leading	Leading	Growing	Leading
E. Europe	Leading	Leading	Leading	Leading
N. America	Growing	Growing	Growing	Leading
Middle East	Leading	Penetrating	Penetrating	Leading
Asia	Penetrating	Penetrating	Penetrating	Penetrating
Oceania	Growing	Penetrating	Penetrating	Growing
Global	Leading	Growing	Growing	Leading

■ Leading    
 ■ Growing    
 ■ Penetrating

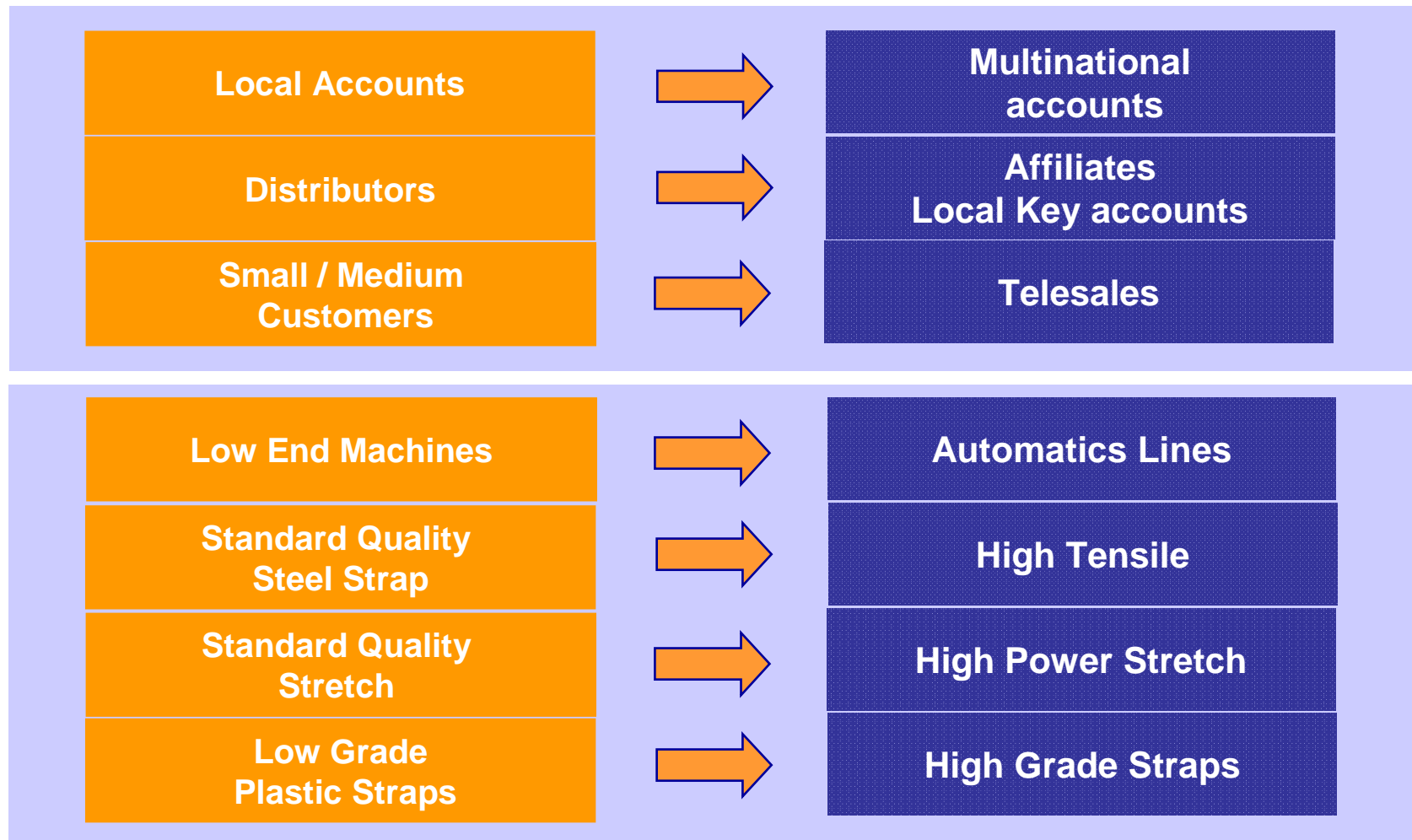
## 4. Go to Market Plan

# Maillis Corporate Strategy



# Maillis Corporate Strategy

## Enhanced Profitability from Market



# The Maillis System Advantages

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## The Approach

- Specialized Packaging Consultancy
- Analyzing the customer requirements & delivering Cost Saving Solutions
- Real Business Partnership

## The Offering

- Complete Packaging Solution
- One stop shopping experience
- Standardized and tailor-made solutions for any application
- Innovative products

## The Benefits

- Consumables + Machines + Tools= Cost optimized process
- Customer selected options – optimum fit
- One supplier benefits - Complete responsibility
- Local and Global support and service

# Business Development Team

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Targets

- Global Key Accounts – Multinational Groups
- Geographical Expansion – New Markets

## 5. Business Review and Action Plans

## Business Review and Action Plans

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- In 2007 a 360° degree review of the business was performed by recognized consultants

<b>Review</b>	<b>Accomplished by</b>
Commercial	Accenture
Financial	PwC
H.R	HAY
Legal	Several Based on Country
Tax	PwC
Environmental	URS

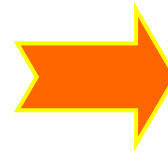
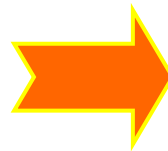
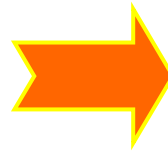
# Business Review and Action Plans

## Prior Structure

46 Operating Units  
(Legal Entities)

11 European  
Commercial Affiliates

5 Consumables  
Production Plants



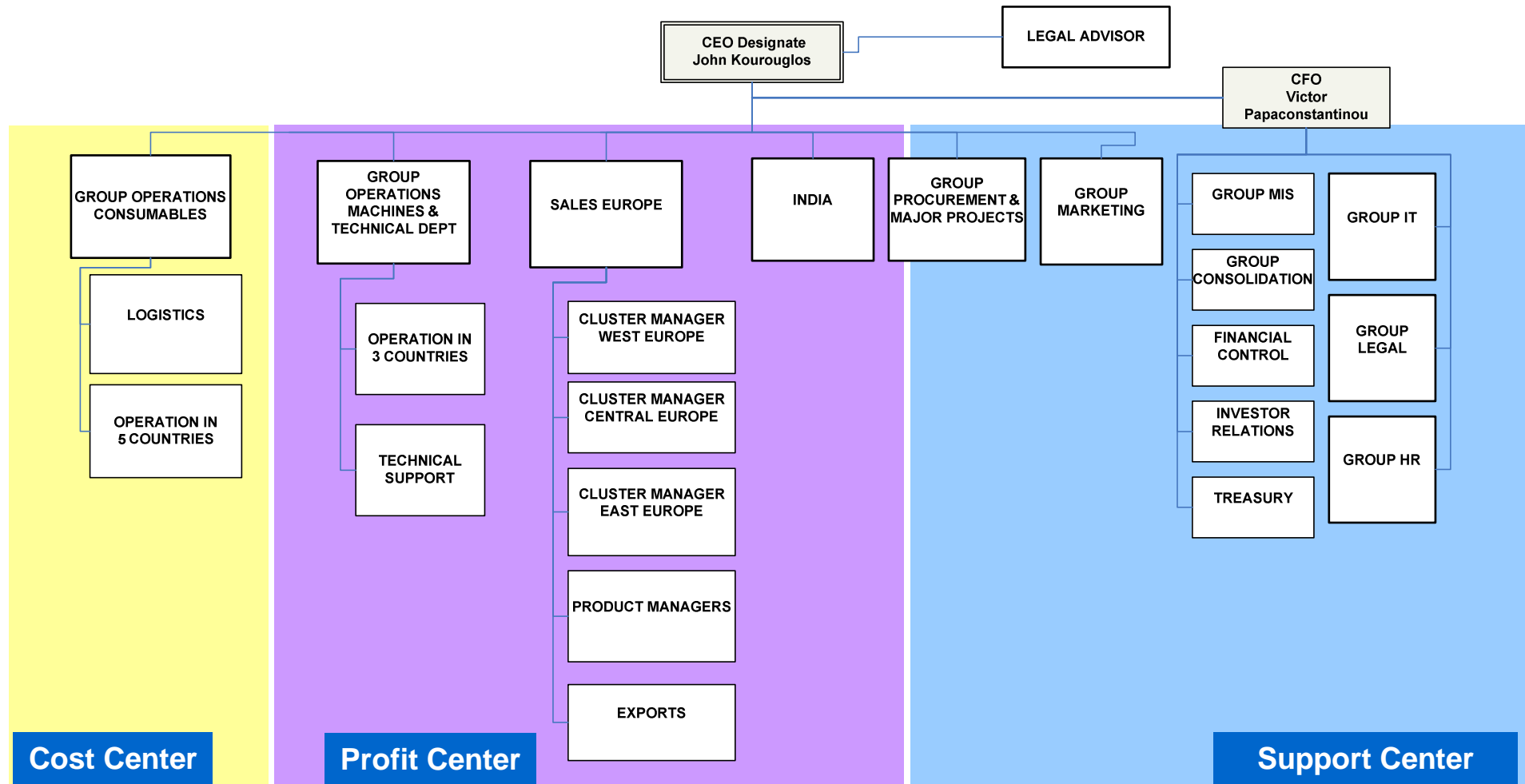
## Current Structure

26 Operating Units  
(Legal entities)

3 Clusters

Consolidated European  
Consumables Operations

# HR Review - Corporate Organization



## Group targets for 2008/2009

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**Restore Group profitability above industry norms**

- **Pricing Strategy**
- **Sales channels**
- **Operating Expenses**

**Strengthen the management team and reposition the Group for further growth**

**Maintain good corporate citizen status**

## Group targets for 2008/2009

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### Strengthen the management team and reposition the Group for further growth

- Executive management team has been re-organized.
- Best management practices – established
- Upgrade management team with the skill set and caliber needed to support the growth of the company
- New management additions will be announced in May /June
  - ➔ Strengthen Global Procurement Group
  - ➔ Profitability Management and value generation
  - ➔ Country specific General Management

## Group targets for 2008/2009

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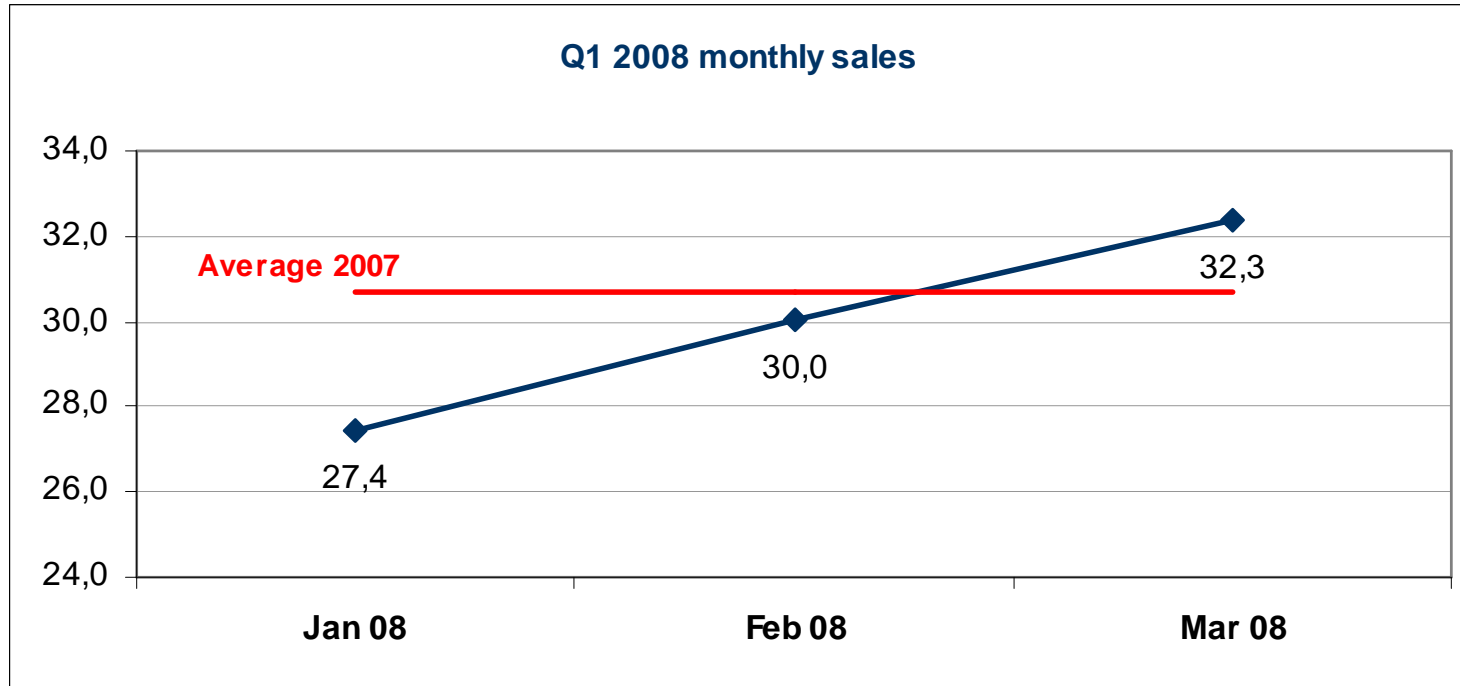
### **Maintain good corporate citizen status**

Group will invest, in 2008, approximately 2 Million Euros on environmental and productivity improvement projects in our Inofyta plant.

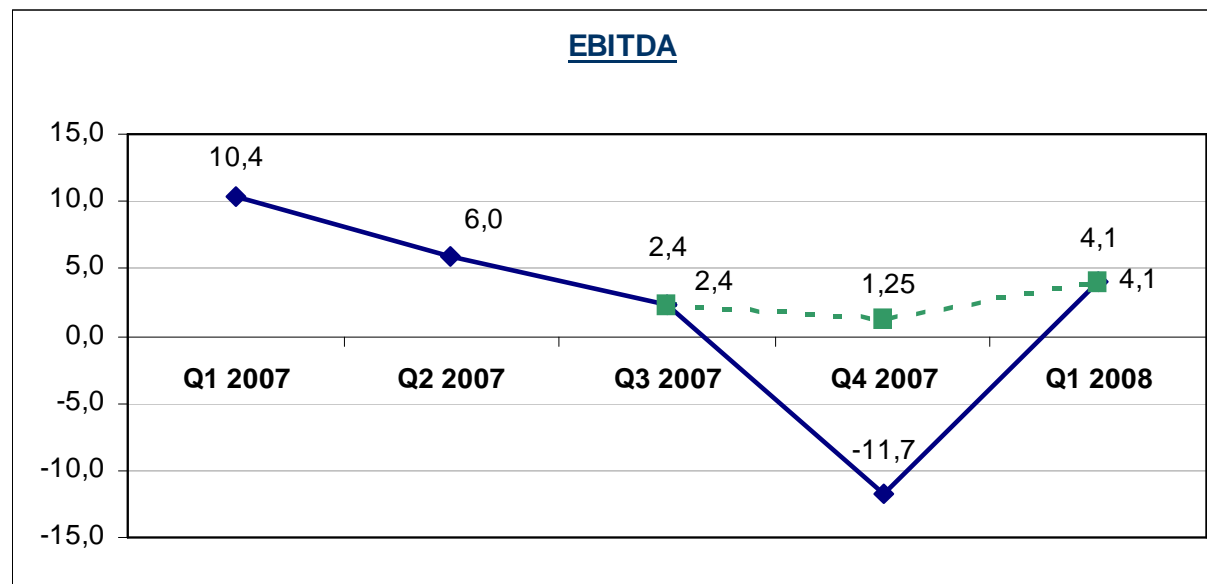
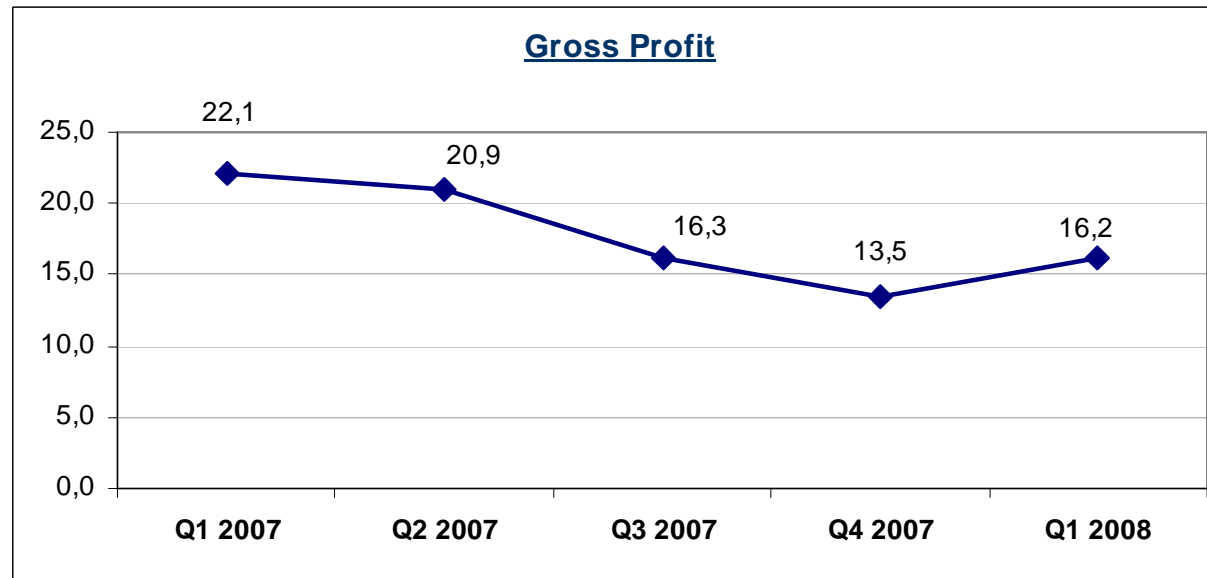
These projects will include air, water, dust remedification as well as process productivity improvements, to reduce manufacturing costs.

## 6. Financials

# New pricing strategy since February 2008



# Profitability recovery plan in place



## Sales channel re-focusing

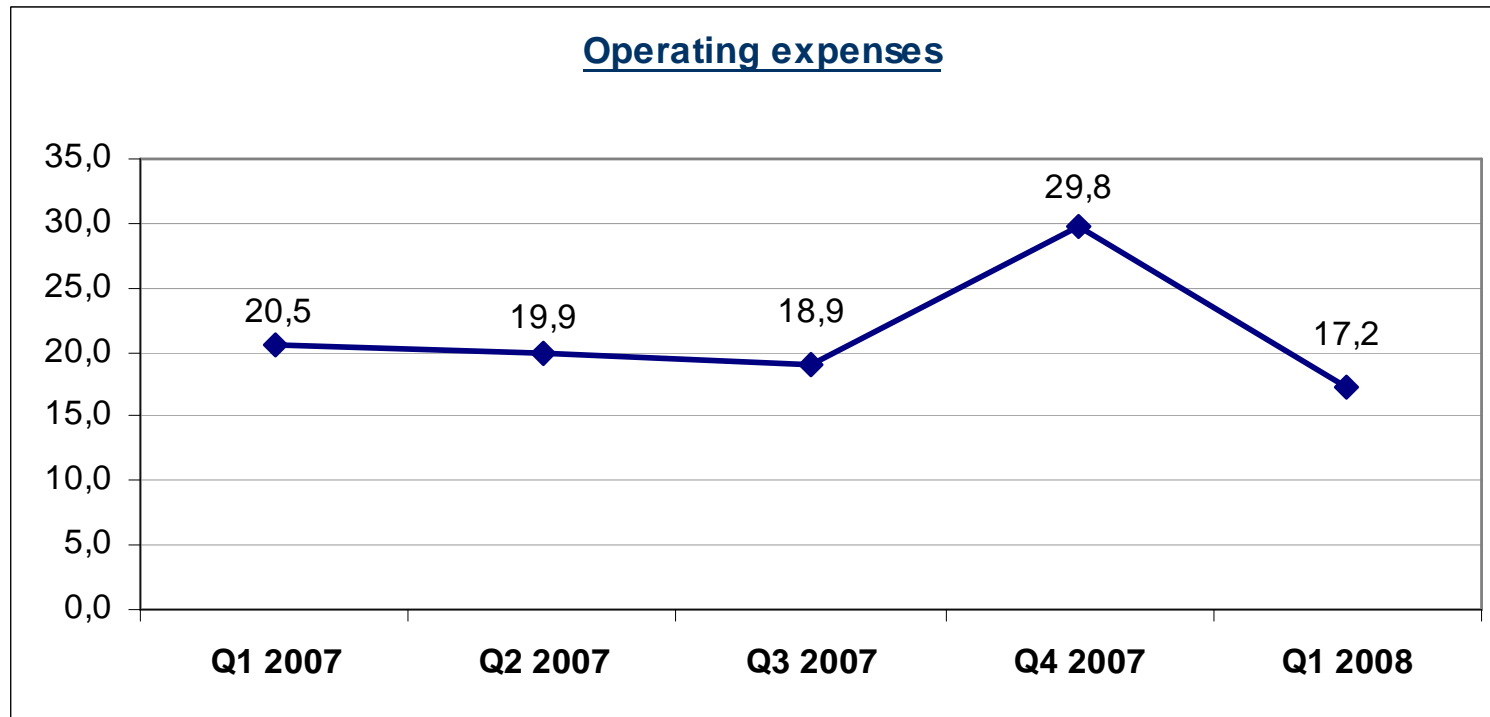
### MARGIN CONTRIBUTION

	2007 Average	Q1 08	Strategy
DISTRIBUTORS	59%	47%	Less
END	35%	41%	More
TELESALES	6%	12%	More
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	

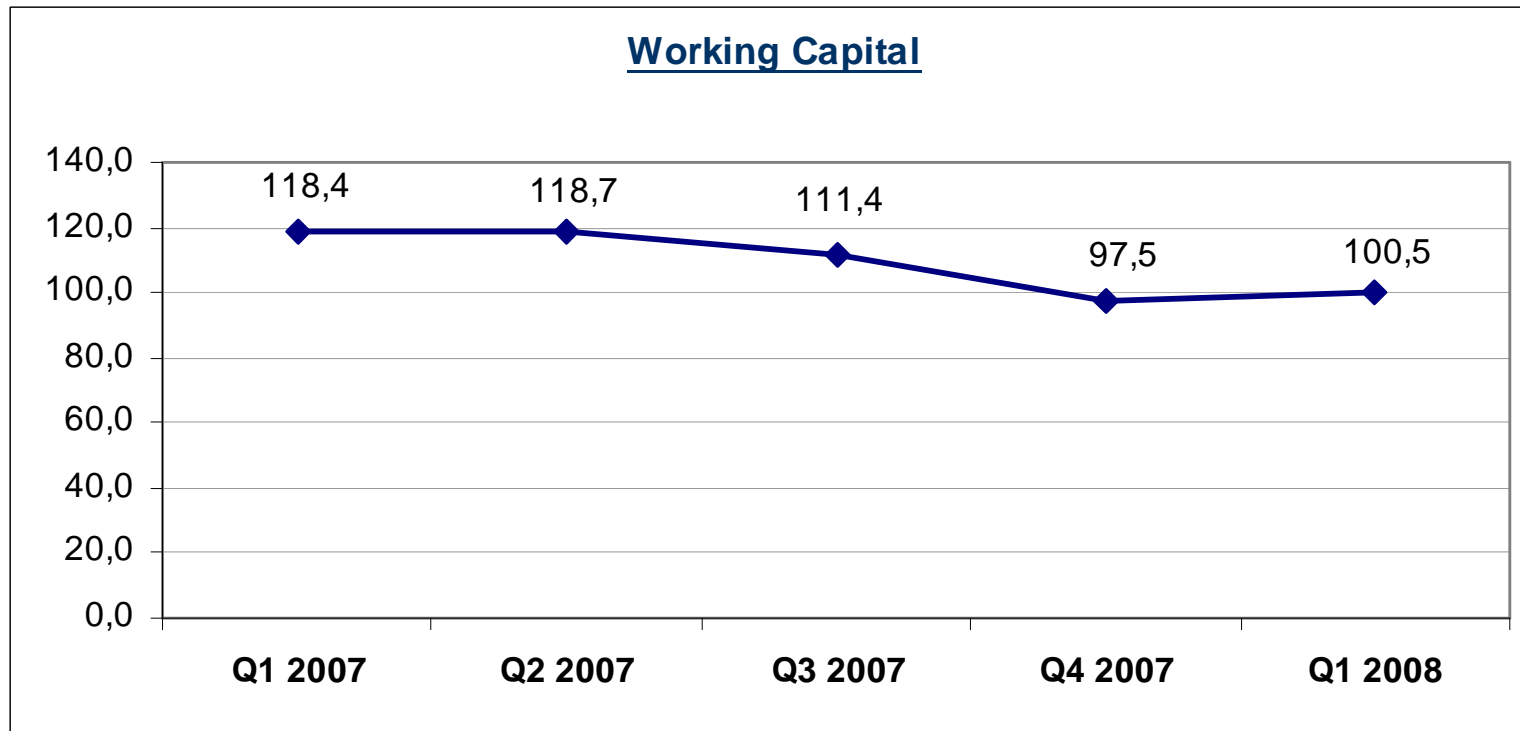
# Operating expenses management projects

Cost Management		
Country	Phase	Status
Greece		Complete
U.K		Complete
France		Complete
Germany	Phase 1	Complete
Germany	Phase 2	to be completed by 30/09/2008
Total Annualized Saving 5 Million Euro (excl. phase 2 Ger)		

# Operating expenses management projects



# Working Capital improvement



## Profit & Loss

*In € millions*

	FY 2006	FY 2007	Q1 2008
<b>Turnover</b>	371,3	368,1	89,8
<b>GPM</b>	84,1	72,9	16,2
GPM / Sales (%)	22,7%	19,8%	18,0%
<b>Other Income / Expense</b>	3,9	-18,7	-0,7
<b>SG&amp;A Expenses</b>	-71,0	-65,7	-15,6
SG&A Expenses on Sales (%)	19,1%	17,8%	17,3%
<b>EBITDA</b>	38,1	7,0	4,1
<b>Depreciation</b>	21,2	18,5	4,2
<b>EBIT</b>	16,9	-11,5	-0,1
<b>Net Financials</b>	-9,2	-9,0	-3,6
<b>EBT</b>	7,8	-32,7	-3,6
<b>Tax</b>	-5,6	-5,9	-0,2
<b>Minorities</b>	0,1	-0,5	-0,1
<b>Net Income / (Loss)</b>	2,1	-38,6	-3,9

# Balance Sheet

*In € millions*

	FY 2006	FY 2007	Q1 2008
<b>Tangible Assets</b>	126,6	139,3	138,1
<b>Intangible Assets</b>	116,2	111,6	111,4
<b>Other Non-current Assets</b>	19,0	19,4	19,9
<b>Inventories</b>	88,1	89,7	88,0
<b>Trade and Other Receivables</b>	97,4	93,1	96,3
<b>Cash &amp; Cash Equivalents</b>	28,2	14,6	15,1
<b>Other Current Assets</b>	5,7	0,6	0,4
<b>Total Assets</b>	<b>481,3</b>	<b>468,3</b>	<b>469,3</b>
<b>Capital &amp; Reserves</b>	184,5	140,7	137,0
<b>Non-current Loans</b>	160,5	12,2	11,8
<b>Non-current Liabilities</b>	16,5	20,2	20,1
<b>Current Loans</b>	31,0	202,5	210,2
<b>Trade &amp; Other Payables</b>	75,6	82,6	80,1
<b>Other Current Liabilities</b>	13,1	10,1	10,0
<b>Total Equity &amp; Liabilities</b>	<b>481,3</b>	<b>468,3</b>	<b>469,3</b>